



## TELECOMMUNICATIONS

ASSOCIATION OF MICHIGAN

March 29, 2006

The Honorable Mike Nofs  
Chairman, House Energy and Technology Committee  
PO Box 30014  
Lansing, MI 48909

Dear Chairman Nofs:

The Telecommunications Association of Michigan has long supported Michigan's 911 system and commends you for introducing legislation to renew the Emergency Telephone Service Act.

Finding a stable funding source for 911 has been a priority of our membership for years. As technology changes, the current funding system has left Michigan's telecom infrastructure providers at a competitive disadvantage while at the same time producing less and less funding for many counties. We have been working closely with the Michigan Association of Counties and others to bring a comprehensive funding solution to the legislature that addresses all of our concerns. As that work continues, your legislation has drawn attention to this important issue.

**We believe a comprehensive solution is possible and needs to be accomplished as quickly as possible.** Without it, counties will see revenues from traditional telephone companies continue to decline as the industry moves to new technologies that are not subject to 911 taxation. These new, untaxed technologies are the root of the competitive disadvantages that Michigan's telephone companies face. Since not all providers are required to impose equal 911 taxes on their customers, it provides an incentive for customers to choose companies that have lower tax line items. This, in turn, creates an additional incentive for traditional telephone companies to utilize the untaxed technologies so that they can better compete.

Unless comprehensive legislation is enacted soon, the downward funding spiral will spin faster and faster. As an organization comprised of companies that employ nearly 15,000 Michigan residents, we want to make sure that they and their families can rely on the 911 system in times of need. We appreciate your desire to address these issues and look forward to working with you on stabilizing 911 funding.

Sincerely,

Jennifer Greenburg  
Government Policy Director

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